

Mentor Protégé Agreement Analysis

South Carolina District Office

«Mentor»(Mentor)/«FirmName»(Protégé)

1. Protégé Qualifications:

- a. The Protégé is in the ___ developmental ___ transitional stage. (Check one) Protégé is in year ___ of the 8(a) Business Development Program.
- b. The Protégé ___ has ___ has not received any 8(a) contracts.
- c. The Protégé has a size that is less than half the size standard corresponding to their primary NAICS code. Primary NAICS code: «NAICSCode». The size standard is X revenue-based: \$«NAICS»million and the average annual receipts are: \$380,649 ☐ employee based. Number of employees _____

Note: Average Annual Receipts determined by IRS tax returns:

\$ _____

- d. The Protégé X is ☐ is not in good standing with all of SBA rules and regulations:
- (1) The Protégé X has ☐ has not completed their Annual Review requirements.
- (2) The Protégé X has ☐ has not updated their SBA-approved business plan (e.g. SBA Form 1010C) for the most recently completed Program Year.
- (3) X A copy of the most recently updated SBA-approved business plan is enclosed.
- (4) Blank
- (5) Blank
- (6) The Protégé ___ has ___ has not met its Federal financial obligations.
- (7) The Protégé ___ has ___ has not met their non-8(a) business activity target of ___% for the most recently completed Program Year # ___. The competitive business mix is 8(a) revenues: \$ _____ non-8(a) revenues: \$ _____
- e. The Protégé stated in Paragraph ___, page ___ of the Agreement that it ☐ does (*fill in*

below) X does not have another SBA approved Mentor/Protégé Agreement.

Mentor's Name: «Mentor»

Duns #: _____

Mentor's Address: «MentorStreet», «MentorAddress»

- f. The Protégé does not state that it is participating in any other formal Mentor-Protégé Programs.
- g. X A copy of the Protégé's Dynamic Small Business Profile is included in the request.

2. Mentor Qualifications:

- a. The Mentor is primarily engaged in _____ industry/service.
- b. The firm was established in _____ (MM/DD/YYYY.)
- c. The Mentor is a *Small, Large, 8(a) in the Transitional Stage, 8(a) graduate(fill in below), HUBZone, SDB, WOSB, SDVOSB or Foreign* business.

(1) Complete only if Mentor is an 8(a) in the Transitional Stage:

The Mentor X is in good standing with all of SBA rules and regulations:

(i) The Mentor is not an 8a participant therefore it does not have to complete Annual Review requirements.

(ii) The Mentor is not an 8a participant therefore it does not have to submit an updated SBA-approved business plan (e.g. SBA Form 1010C) for the most recently completed Program Year.

(iii) The Mentor is not suspended or recommended for suspension.

(iv) The Mentor is not an 8a participant therefore recommendation for termination is n/a.

(v) The Mentor _____ has _____ has not met its Federal financial obligations.

(vi) The Mentor is not an 8a participant therefore it does not have therefore **8a competitive business mix does not apply.**

(2) Complete only if Mentor is an 8(a) graduate:

(i) ☐ Mentor was suspended on: _____ (MM/DD/YYYY)

(ii) ☐ Mentor was terminated on: _____ (MM/DD/YYYY)

(iii) ☐ Mentor was graduated on: _____ (MM/DD/YYYY)

- d. A signed SBA Form 1623, *Certification Regarding Debarment, Suspension, and Other Responsibility Matters*, is submitted certifying that the Mentor ____ has ____ has not been debarred or suspended from participating in any Federal program. To verify status, the Excluded Parties List System (EPLS) at www.epls.gov was searched. A printed copy of the results is included in the file. The Mentor ____ was ____ was not listed in the EPLS.
- e. Mentor ____ has ____ has not submitted copies of its original Corporate tax returns for the last two years signed and dated by an authorized officer of the company.¹
- f. Mentor ____ has ____ has not submitted a copy of the originally signed IRS Form 851, *Affiliations Schedule*, that was submitted to the IRS is included in the file (if applicable.)
- h. Mentor ____ has ____ has not submitted a copy of the signed IRS Form 8879-C (*IRS E-File Signature Authorization for IRS Form 1120, U.S. Corporation Income Tax Return*) (if applicable.)
- i. Mentor ____ has ____ has not submitted a signed IRS Form 4506-T (*Request for Transcript of Tax Return*)
- j. Mentor's Federal tax returns for the last two years ____ do ____ do not (*Mentor's explanation below*) indicate a profit.²

IRS Current Year – _____
IRS Preceding Year - _____
IRS Preceding Year - _____

k. The basis of accounting for tax purposes was ____ accrual ____ cash.

l. The basis of accounting for financial reporting was ____ accrual ____ cash.³

¹ *Pro Forma* tax returns are not acceptable. A copy of the actual tax returns that were filed with the Internal Revenue Service must be provided. If the taxes were filed electronically, a copy of the e-file certification should be submitted with a copy of the tax forms.

² It is SBA's policy that Federal tax returns are not the only indicator of the Mentor's favorable financial health. For a true picture, SBA also requires financial statements for the last two years.

³ The basis for reporting taxes and financials should be the same. If not, the Mentor must resubmit their financial statements so that the method of accounting is consistent with their tax reporting.

- m. The Mentor's financial statements for the last two years have been evaluated. The statements are ____ are not ____ certified⁴ by a certified public accountant. Mentor has submitted financial statements for the years ending ____ and _____. Its financial condition is as follows:

Contact SBA South Carolina for an Excel document to use (see next page):

⁴ Compiled financial statements, also referred to as unaudited statements, are not audited adequately and no opinion on the quality of the financial statements is given. Financial statements that are certified are the ones that can be trusted to be the most accurate. These financial statements are reviewed and audited by a certified public accountant. When financial statements have been certified they have been reviewed to ensure the information is correct, true and reliable. Overall, certified financial statements can provide you with additional and more accurate information, in the form of notes, than compiled financial statements.

Parties of MPA:

Name of Mentor:

Financials:					
	Years:	2007		2006	
	Revenues:				
	Net Income:				
	Current Assets:				
	Total Assets:				
	Total Equity:				
	Current Liabilities:				
	Total Liabilities				
(2) Ratio Analysis			:1		:1
Current Ratio: 5	<u>Current Assets</u>				
	Current Liabilities				
	Liquidity (\$s)	#VALUE!		#VALUE!	
	Ratio =	#VALUE!	:1	#VALUE!	:1
Debt to Equity: 6	<u>Total Liabilities</u>				
	Total Equity				
	(\$s)	#VALUE!		#VALUE!	
	Ratio =	#VALUE!	:1	#VALUE!	:1
Return on Assets: 7	<u>Net Income</u>				
	Avg Total Assets				
	=	#VALUE!	%	#VALUE!	%
Return on Equity: 8	Net Income				
	Owners Equity				
	=	#VALUE!	%	#VALUE!	%
Return on Sales: 9	<u>Net Income</u>				
	Net Sales				
	=	#VALUE!	%	#VALUE!	%
Net Sales	Net Income				
	Net Sales				
	=	#VALUE!	%	#VALUE!	%

- n. A business credit report Dun & Bradstreet report on the potential Mentor is submitted.
State findings:

RATING: _____

- o. A copy of the Mentor's _____ Central Contractor Registration or _____ Dynamic Small Business Profile has been reviewed and is included in the file.
- p. Two letters of commendation from _____ and _____ were submitted to show evidence of good character.
- q. The Mentor stated in paragraph _____ of the Agreement that it ☐ is (*fill in below*) _____ is _____ is not participating in any other formal Mentor-Protégé Programs.

Agency's Name: _____ N/A _____ Name of Protégé: _____ N/A _____
Date of Agreement: _____ N/A _____

- r. The Mentor (and any of its affiliates) stated in paragraph 12 of the Agreement ☐ does (*fill in below*) ☒ does not have another SBA approved Mentor/Protégé Agreement.
Protégé's Name: _____ N/A _____ 8(a) Case #: _____ N/A _____

- s. A narrative by the Mentor regarding its commitment and ability to assist the Protégé by sharing lessons learned and practical experience gained because of the 8(a) BD Program, or through its general knowledge of government contracting has been reviewed and is included in the file.

- t. The Mentor has performed on the following Federal Government contracts (*list at least three*):

<u>Agency Name</u>	<u>Contract Number</u>	<u>NAICS Code</u>	<u>Period of Performance</u>	<u>Dollar Value</u>
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- u. The Mentor _____ does (*explain below*) _____ does not have any prior affiliation or relationship with the Protégé, including joint ventures or subcontracts.

v. The Mentor ☐ does (*fill in below*) **X** does not own equity interest in the Protégé firm.

The percentage of ownership is: N/A %

w. Mentor does does not state in the Agreement (paragraph 13) that it will annually certify that it continues to possess good character and a favorable financial position, if the Agreement is extended by SBA.

3. The Agreement:

- a. A signed Mentor/Protégé' Agreement is submitted setting forth an assessment of the Protégé's needs and describing the assistance the Mentor commits to provide has been reviewed and is included in the file.
- b. The following **assessed needs** of the Protégé will allow the Protégé to meet its targets, goals and objectives as stated in their most recently SBA-approved business plan (e.g. SBA Form 1010C):

(Suggested Language)

- a. Management and technical assistance
- b. Financial assistance
- c. Business development assistance
- d. Contracting assistance.
- e. General and administrative assistance

(1) Management and Technical Assistance:

(i) Need 1

Meets objectives of business plan (SBA Form 1010C) *paragraphs:*

(ii) Need 2

Meets objectives of business plan (SBA Form 1010C) *paragraphs:* _____

(iii) Need 3

Meets objectives of business plan (SBA Form 1010C) *paragraphs:* _____

c. The Mentor agrees to provide Protégé with the **following developmental assistance:**
Section 2

(1) Management and Technical Assistance:

(i) Assistance A) _____

METRIC

See Attachment “A: - Tasks and Timelines (assuming start date of _____.

TIMELINE:

See Attachment “A: - Tasks and Timelines (assuming start date of _____.

(ii) Assistance B _____

METRIC

See Attachment “A: - Tasks and Timelines (assuming start date of _____.

TIMELINE:

See Attachment “A: - Tasks and Timelines (assuming start date of _____.

(iii) Assistance C _____

METRIC

See Attachment “A: - Tasks and Timelines (assuming start date of _____.

TIMELINE:

See Attachment “A: - Tasks and Timelines (assuming start date of _____.

See enclosed sample Tasks and Timelines Matrix.....

- d. The Agreement ____ does ____ does not provide that either the Protégé or the Mentor may terminate the Agreement with 30-days advance notice to the other party and to SBA. Section 6
- e. The Agreement ____ does ____ does not state that the Mentor's assistance will be provided to the Protégé for at least one year. Section 5
- f. The Agreement ____ does ____ does not state that SBA must approve any modifications in advance. See Section ____
- g. The Agreement includes the point of contact for the Protégé and Mentor, to include the address, phone number, fax number, and e-mail address. Paragraph ____ Page ____

5. Request:

We believe the Mentor, «Mentor» ____ does ____ does not meet the eligibility requirements in accordance with 13 C.F.R. § 124.520(b). I have determined that the Protégé, «FirmName» ____ does ____ does not meet the eligibility requirements in accordance with 13 C.F.R. § 124.520(c). The Mentor/Protégé-Agreement ____ does ____ does not demonstrate that both parties demonstrate a full understanding of SBA's regulations, policy and procedures. We therefore request approval of the proposed Mentor/Protégé Agreement.

8a Participant: _____

Signature of President/Member

Date

Matrix – Timelines for Specific Tasks to be performed by the Mentor (use additional sheets as necessary)

(1) Identified (Area of Assistance) Management and Technical Assistance: (i) Assistance A) <hr/>	Action (describe)	Personnel Responsible	Date:
(ii) Need 2			
(iii) Need 3			

(2) (Area of Assistance) Financial Assistance: (i) Need 1 <hr/>	Action (describe)	Personnel Responsible	Date:
(ii) Need 2			
(iii) Need 3			

(3) (Area of Assistance) <i>Human Resource</i> <i>Training:</i> (i) Need 1 <hr/>	Action (describe)	Personnel Responsible	Date:
(ii) Need 2			
(iii) Need 3			

(2) (Area of Assistance) <i>Marketing</i> (i) Need 1 <hr/>	Action (describe)	Personnel Responsible	Date:
(ii) Need 2			
(iii) Need 3			

Etc.....